

# Memorandum

To: Robert P. Oglesby  
Executive Director

Date : August 31, 2012

Telephone: CALNET (916) 654-4563

From : **California Energy Commission**  
1516 Ninth Street  
Sacramento CA 95814-5512

Subject: **STAFF RECOMMENDATION TO APPROVE REVISIONS TO THE NEW SOLAR HOMES PARTNERSHIP GUIDEBOOK AT THE SEPTEMBER 12, 2012 BUSINESS MEETING**

## Summary of Item

Energy Commission staff are recommending minor revisions to the *New Solar Homes Partnership, Fourth Edition, (NSHP Guidebook)*. These revisions are limited in nature and are being proposed to clarify the reservation and payment process for the NSHP program. Staff, with input and guidance from lead renewables Commissioner Carla Peterman, is recommending the following guidebook revisions for this purpose:

### NSHP Guidebook Revisions

- Modify the payment process to allow the Expected Performance-Based Incentive (EPBI) Documentation, Energy Efficiency Documentation, and System Interconnection with Utility Grid to be completed no later than 90 days after the NSHP reservation expiration date if a complete interconnection package is submitted to the utility interconnection department on or before the NSHP reservation expiration date.
- Clarify that the program administrator will verify the system generation allocation percentages for virtual net metering systems during the payment process.
- Revise the reservation application form and payment claim form.

In addition to the above-noted revisions, minor grammatical, typographic, and formatting errors are being corrected in the guidebook.

Notice of the proposed revisions to the guidebook was published on August 31, 2012, in accordance with Public Resources Code Section 25784.

### Background

The *NSHP Guidebook* explains how the Energy Commission implements and administers the New Solar Homes Partnership pursuant to Senate Bill 1 (Statutes of 2006, Chapter 132), Senate Bill 1250 (Statutes of 2006, Chapter 512, Sec. 11), and Senate Bill 107 (Statutes of 2006, Chapter 464, Sec. 7). The New Solar Homes Partnership provides funding for solar energy systems installed on new residential construction, with the goal of 400MW of solar on new residential units by 2016.

The *NSHP Guidebook* is revised from time to time to reflect changes in law and changes in market conditions affecting the NSHP. Revisions to the guidebook are adopted by the Energy Commission pursuant to Public Resources Code Section 25784.

#### Justification for Action Requested

The revisions to the *NSHP Guidebook* will clarify the reservation and payment process for NSHP, help prevent utility interconnection backlogs from harming NSHP applicants, and address concerns raised by stakeholders.

#### CEQA Compliance

The Energy Commission's adoption of the minor guidebook revisions is exempt from review under the California Environmental Quality Act (CEQA) (Pub. Resources Code, §§ 21000 et seq.; Cal. Code of Regs., tit. 14, §§ 15000 et seq.), because the adoption of the revisions does not constitute a project under CEQA. The guidebook revisions relate to general policy and procedure making and the creation of government funding mechanisms or other government fiscal activities, which do not involve a commitment to a specific project that may result in a potentially significant physical impact on the environment. (Cal. Code of Regs., tit. 14, § 15378 (b)(2) and (4).)

Additionally, the minor guidebook revisions fall within the "common sense" exemption of the CEQA regulations. This exemption indicates that CEQA only applies to projects that have a significant effect on the environment. (Cal. Code of Regs., tit. 14, § 15061 (b)(3).) A significant effect on the environment is defined as substantial, or potentially substantial, adverse change in the environment. (Pub. Resources Code, § 21068; Cal. Code of Regs., tit. 14, § 15382.) The guidebook revisions merely clarify provisions that were previously adopted by the Energy Commission. These guidebook revisions will not create an adverse effect on the environment.

#### Oral Presentation

Staff will be prepared to discuss its recommendation and to respond to questions regarding the revisions to the *NSHP Guidebook*.

#### Business Meeting Participants

Le-Quyen Nguyen, Renewable Energy Office.  
Christa Salo, Office of Chief Counsel.

#### Commission Action Requested

Approve the revisions to the *NSHP Guidebook*.

---

DAVE ASHUCKIAN, Deputy Director  
Efficiency & Renewable Energy Division